



LIFE INSURANCE COUNCIL OF NEW YORK, INC.
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MEMORANDUM IN OPPOSITION
of
S.5474 (Rivera)/ A.6058 (Gottfried) – New York Health Act

While the life insurance industry supports the laudable intent of this bill to ensure all New Yorkers are provided quality health care, this bill would instead result in diminished patient care and health care choices, exorbitant new taxes, and substantial job losses. The New York Health Act is flawed in its approach, going well beyond the goal of providing universal coverage for all New Yorkers. The Life Insurance Council of New York (“LICONY”) **opposes** this legislation.

LICONY is the trade association representing the life insurance companies doing business in this state. Our members provide the vast majority of life insurance, annuity and disability income, including paid family leave, benefits to New Yorkers. Notably, our members also provide dental, vision, and long term care insurance. These valuable products provide the means for our customers to care for themselves and their families while providing financial security when it is most needed. Our products are not one-size-fits all, and neither are our policyholders. Our member companies work diligently to provide our customers with coverage suited to their individual and family needs.

This bill purports to provide all New Yorkers with comprehensive health care by creating a single-payer universal health plan. To accomplish its goal, the legislation outlaws the sale of the dental, vision, and long term care insurance by prohibiting the issuance of insurance policies that offer coverage provided to New Yorkers under the bill. By doing so, this bill eliminates coverage choices and options that the industry’s consumers have come to rely on. It also eliminates the. an entire industry in New York, and all of the jobs and tax revenue that comes along with them. Under this bill, New Yorkers and their families would have only one option, a government-run health plan.

Along with the concerns that are specific to our industry and policyholders, our member companies, as employers, share the concerns expressed by the state’s broader business community. This bill will fundamentally restructure the provision of health care in New York. In order to finance this massive undertaking, the sponsors would enact a mandatory new payroll tax on employers and employees alike. The taxes needed to underwrite this restructuring will destroy the state’s economy and job growth at a time when we can least afford it. Many businesses have been negatively impacted by the pandemic and now is the worst possible time to burden them with higher expenses and misguided policies. Notably, Vermont passed single-payer health care legislation in 2014 and was forced to abandon the effort due to the devastating impact of the proposed new taxes needed for a publicly financed health plan.

LICONY **opposes** this bill and looks forward to working with the Legislature to develop legislation that protects and enhances coverage for New Yorkers and their families. Our member companies value their policyholders, the New York residents that make up their workforce, and are dedicated to serving all of the state’s dental, vision, and long term care insurance needs.

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THE LIFE INSURANCE COUNCIL OF NEW YORK IS THE TRADE ASSOCIATION REPRESENTING THE LIFE INSURANCE INDUSTRY OF NEW YORK WHOSE MEMBER COMPANIES PROVIDE THE VAST MAJORITY OF ANNUITIES AND LIFE, DISABILITY INCOME AND LONG TERM CARE INSURANCE BENEFITS TO NEW YORKERS.